

PRESS RELEASE

For immediate release

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Brooks Macdonald makes its first acquisition

Brooks Macdonald Group plc, the integrated wealth management group, announced today that they have acquired Canterbury based Lawrence House Fund Managers Limited.

Lawrence House has approx £60 million of assets under management which is split between one OEIC with three sub funds and a number of bespoke discretionary portfolios. These will be integrated into the group's specialist investment management arm Brooks Macdonald Asset Management (BMAM). As part of the transaction, two members of staff will join the recently opened Tunbridge Wells office of the asset management business; Alan Stokes, as a Fund manager and Carol Evins, as part of the new business development team.

Lawrence House's sister company, Pharon Independent Financial Advisers Limited, the Kent based IFA, is not part of this transaction and will remain independent. Pharon is entering into a strategic alliance with Brooks Macdonald Asset Management to provide investment management services for its clients.

Chris Macdonald, Chief Executive of Brooks Macdonald said: 'This is a very exciting opportunity for the Group. Lawrence House has a similar ethos, culture and style of management and thus this is a good fit for us. We gain two highly experienced members of staff with strong skill sets, an exciting Strategic Alliance with Pharon and three OEIC sub funds. The latter will add a further 'string to our bow' in terms of potential growth.'

Mike Sargeant, Managing Director of Lawrence House and Pharon IFA said:

'The sale of Lawrence House will enable Pharon to focus on its core strategy of providing independent financial advice of the highest quality through Pharon IFA. The strategic alliance with Brooks Macdonald is a key part of this strategy and excellent news for our investors and IFA partners. Brooks Macdonald is the perfect home for our funds under management as the philosophies of the two companies are so closely aligned and they will ensure our clients have access to a wide range of cutting edge investment management skills'.

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Notes to Editor

Brooks Macdonald Asset Management (BMAM) is a specialist private client asset management firm focused on supporting key independent intermediaries in the UK IFA market place. Established in 1991, BMAM is a subsidiary of Brooks Macdonald Group plc which listed on AiM in March 2005.

The company has grown organically since its establishment and now employs over 100 staff at its offices in London, Manchester and Winchester and Tunbridge Wells.

Funds under management have grown from £1.181bn to £1.386bn in the 12 months to June 2009, a rise of 17%. Over 85% of this growth can be attributed to third party introducers with 50% being managed within specialist SIPP wrappers.

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